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ABSTRACT

It is possible to remain faithful to the general intentions of management by objectives (MBO) while boiling it down to four major points. First, MBO places the emphasis on results rather than on resources or the ways in which resources are utilized. Second, responsibility for achieving these results is shared jointly by the superior and his subordinate. Third, the establishment of this responsibility and the achievement of the results are both obtained through rigorous attention to specificity. Fourth, shared responsibility and attention to specificity permit evaluation on the basis of performance, according to present standards. It appears that MBO can be a very beneficial system when employed with a good grasp of its potential and an equally good grasp of the situation in which it is to be introduced. If the purposes for which MBO is being introduced are sound, if the implementation is handled with care and patience, and if the commitment of all involved is high, there are few reasons why MBO should fail. Before a school system definitely decides that MBO is the answer, however, it should examine the problems that have been encountered with it. (Author)

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FOREWORD

Both the National Association of Elementary School Principals and the ERIC Clearinghouse on Educational Management are pleased to continue the *School Leadership Digest*, with a second series of reports designed to offer school leaders essential information on a wide range of critical concerns in education.

The *School Leadership Digest* is a series of monthly reports on top priority issues in education. At a time when decisions in education must be made on the basis of increasingly complex information, the *Digest* provides school administrators with concise, readable analyses of the most important trends in schools today, as well as points up the practical implications of major research findings.

By special cooperative arrangement, the series draws on the extensive research facilities and expertise of the ERIC Clearinghouse on Educational Management. The titles in the series were planned and developed cooperatively by both organizations. Utilizing the resources of the ERIC network, the Clearinghouse is responsible for researching the topics and preparing the copy for publication by NAESP.

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INTRODUCTION: WHAT IS MBO?

> Simply stated, management is getting things done through other people. As a function, it includes all the activities used to determine which "things" and to move "other people" toward their achievement. More importantly, it is a unity concept; that is, it calls upon its practitioner to give continuous, simultaneous and integrated attention to all of its various activities . . . to direct group action in a manner that maximizes result achieved in relation to the potential of all the resources employed.
>
> *Klawuhn*

A Brief History

Management by Objectives (MBO) is a relatively recent refinement in the general area of management. First proposed as a distinct theoretical approach in the late 1950s, it began to be adopted seriously by industry in the early 1960s. Its apparent success encouraged management specialists in education to suggest it might help to solve some chronic problems in the schools. MBO was first applied as an important alternative to traditional approaches in the late 1960s and early 1970s.

Now that it has been in practice a few years, we can begin to make some observations regarding successes and failures and see more clearly how it may fit into the future. First, however, it may be valuable to glance back at the past, since a look at the history of management can clarify the position of MBO in current thinking.

At the turn of this century the traditional manager was an owner, who exercised the rights of ownership autocratically within the social and economic framework of the Protestant Ethic. He chose his junior managers from the ranks of his technical experts; the degree of expertise was a common standard for selection. Educational managers were chosen on similar grounds. Under this kind of system, of course,

management technique was based solely on the individual manager's observation of what worked and was highly subject to whim, emotion, and especially tradition.

Management was first revealed as a practice distinct from the work managed when Frederick Winslow Taylor discovered that standardization based on an objective analysis of worker techniques could make work more efficient. Managers soon made use of this finding but at the same time used the study as proof of the need for absolute managerial control over subordinates.

Research by Harvard at Western Electric's Hawthorne plant in the 1930s wrought the next major change in managerial approaches. Expecting to find that improving working conditions increased output, the researchers were startled when a return to the original conditions caused yet another increase. It became apparent suddenly that merely paying attention to the workers' needs motivated performance, and the "human relations" movement was born. Management was still conducted from the top down, but it was management with a smile. The new era truly came into its own in the 1950s, with the introduction of sociologists and psychologists into industrial administrative hierarchies.

The latest major trend in management is the advent of the "systems man," the man who studies the industrial (or educational) organization as a unified *system*, a term defined by Bishop and others as "an assemblage of objects or people united by some form of interaction or interdependence."

MBO—A Systems Approach

A system consists of three basic parts: the resources necessary for the system's operation, the operation itself—what the system does with the resources and how it does it, and the end product of the system—the results. Business-oriented discussions of MBO frequently note that the value of the end product of the system should be greater than the original value of all the resources and operations that combined to make up the end product.

Central to all systems approaches is the idea that the basic parts of systems are interrelated. Any attempt to make a system work to best advantage must treat all the parts together. This view requires a degree of specificity not previously considered necessary for management. The results the organization seeks to achieve need to be spelled out carefully so that the operations necessary to attain those results can be most efficiently planned. The availability and expense of resources and the difficulty of operations determine which results are reasonable to concentrate on and which are not. The more the organization knows about all aspects of the system, the more likely it is that the system can be planned and run effectively.

If such an approach were all there is to MBO, it would not stand out as anything unique. However, Bishop and her colleagues believe that MBO does meet one need that not all systems approaches meet.

> . . . the real purpose of a system is defined by the nature and character of its outputs. A school's true excellence is measured by the abilities of its graduates, not by the resources required to produce these abilities nor by the process that was followed to produce them.

It is in answering this need for an emphasis on results that MBO makes its claim to distinction. As George S. Odiorne, one of the foremost promoters and interpreters of MBO, notes in a 1971 journal article, "no individual can direct all the *activities* of a large organization—but if he can control *results* he indeed can manage even the largest."

MBO IN MADISON: THE CLASSIC ELEMENTS

The classic features of MBO are best illustrated in their application to the school system of Madison, Wisconsin, one of the first districts to adopt the method. In a highly readable case study, McGrew and Hafeman report that the Madison Public Schools turned to MBO chiefly in order to improve relationships between supervisors and subordinates. The school system decided MBO would lead to more openness, greater trust, and more frequent and comprehensive communication, qualities that could only increase management effectiveness.

The Management Contract

The Madison schools decided to use a "management contract" to increase the prospect for success of their MBO program. While such contracts are not necessarily the rule in effective MBO systems, use of any contract as a tool emphasizes the serious and binding nature of the program.

The contract establishes the joint responsibility of supervisor and supervisee for defining and achieving the results desired. By working *together* according to clearly specified rules, supervisors and subordinates can achieve open and thorough communication. Also, the contract eliminates the necessity for "face-to-face" evaluations of subordinates by supervisors, replacing them with evaluations conducted "side-by-side." The emphasis is shifted from managing the *man* to managing the *job*. The greater the specificity of the contract, the clearer are the divisions of responsibility, and the less likely are misunderstandings on both sides.

We have now established two vital elements of MBO: an emphasis on results and shared responsibility for achieving those results. But how are the desired results to be determined, and how are they to be achieved? The contract-writing process in Madison consists of three basic steps,

which may cover several meetings between supervisor and subordinate.

The first step is essentially the first meeting, at which the two discuss needs and establish tentative priorities. These needs are mainly those of that part of the organization for which the subordinate is responsible. It is also important, of course, to consider the goals of the organization as a whole. At this meeting the two also may consider the needs of the subordinate, insofar as they are distinct from those of the organization. The supervisor and subordinate must agree on which needs are most important, with all levels of the organization in mind.

Once priorities are set, the second step is entered into. Superior and subordinate alike reflect on the tentative priorities selected and discuss them with others, both higher and lower in the organizational hierarchy. The additional information thus generated is then considered by both parties to the contract at the beginning of the next meeting. This paves the way for the third step, the actual writing process. At this point objectives are written, and the program through which these objectives are to be met is outlined and detailed.

Specific Objectives

The term *objectives* is probably the most important single concept in MBO. It is used to designate goals that are specific, measurable, reasonably attainable, of high priority, challenging, clearly and concisely stated, within the authority of the subordinate in question, and central to his responsibilities. In addition, objectives generally should be achievable within a given time span, and they should be sufficiently measurable to check progress at specified intervals within the time span. Thus the term stresses not only the emphasis on MBO on results, but also the need for specificity and measurability.

While objectives usually focus on end results (for example, better attendance figures), they can also focus on processes (for example, a new method of handling attendance). A focus

on processes can be misleading, of course, since concentration on establishing a process can easily distract the manager from the reasons for establishing it in the first place. It is to avert just such dangers that the Madison approach insists on defining objectives in terms of ends, not means.

Partly for this reason, Madison urges yet another kind of focus for some objectives—planning. Designing a plan or program by which to attain a given goal can be a very important objective in itself; it is never a good idea to rush toward a goal without a definite program in mind. Once a satisfactory program is outlined, it is possible to follow it toward the goal with some anticipation of progress.

Obviously, it is not only important to be specific about the objective toward which the contract parties are striving; it is just as important to be specific about the way to get there and the resources that are necessary. If the objective requires the participation of persons not signing the contract or requires materials that could conceivably be used in another way by someone else, the supervisor and the subordinate must make sure that such resources are committed.

Still, the possibility must be kept in mind that outside resources can be used. That is one of the major reasons the supervisor is a party to the contract. His awareness of the goals and resources of the organization counters to some extent the natural tendency of the subordinate to propose objectives that are limited in scope, easy to achieve, and will make him look good.

Review and Evaluation

In the Madison system, the review and evaluation process is also spelled out clearly in the contract, so that both parties are aware of their ongoing responsibility. The timing of each phase of the program's implementation is stated carefully to provide the supervisor and subordinate with checkpoints at which to judge progress.

Under normal conditions, the Madison program involves four review sessions. At the first, the question is whether the

program as outlined at the contract-writing sessions is getting off the ground. At the second, it is time to make sure the objectives have been correctly identified and the programs effectively designed. The specificity of the Madison contract is in no way meant to hinder flexibility; if the supervisor and subordinate have agreed to approaches that turn out to be in error there is no reason not to revise the contract so that progress can be made along the new line.

The third review session places the program in the context of past and future, by asking what improvements have been made and what seem to be the directions to take to ensure their continuance. The final session assesses the results of the program in terms of whether objectives have indeed been met, and if not why not. The way is then open for the entire procedure to recommence at the beginning. In Madison the process is normally in cycles of one year, corresponding with the school year.

McGrew and Hafeman stress that the final evaluation should contain no surprises for either party. Good communication between supervisor and subordinate requires that each knows of any problems in the program before review sessions occur. Written documentation is important in the Madison approach because it ensures continued clarity beyond the contract-writing phase. Documentation of the progress of the program is also important, but should not become an unending swamp of paperwork.

Finally, it is also important to realize that in a field like education subjective as well as objective analysis of the documented facts is important. Review sessions allow supervisor and subordinate to test their agreement on the value of their effort, as well as to consider whether stated intentions were achieved.

In a provocative article, Levinson has raised the question, "Management by whose objectives?" MBO systems are instituted at many different levels for many different reasons. Managerial attitudes toward employee motivation vary widely and have a strong influence on the forms the system takes. Organizational structures reflect and reinforce such attitudes. The question of how much participative management MBO should include is crucial; many of the differences among the MBO systems that depart from the Madison model reflect different answers to this question.

Degrees of Democracy

Schein has identified four distinct opinions about the nature of man, each of which encourages its own managerial style. The oldest and most traditional approach sees man as untrustworthy, self-centered, and primarily interested in economic gain. Control of subordinates is the most important management job, and the best managers are those who show these "human" characteristics least.

A second view treats employees not as individuals but as members of peer groups. Responding to man's social needs is seen as the best way to manage personnel effectively. According to this view, one reason the Hawthorne experiments turned out as they did is that the special treatment afforded the experimental subjects increased their status in their own eyes and those of their coworkers.

Classical MBO centers on a third view: the individual is primarily self-motivated and perceives outside control and imposed incentives as threatening. The manager's job becomes one of assistance and guidance. In fact, final authority lies in the requirements of the work to be done, rather than in the manager. Refusing to accept and respond to the needs

of employees to be self-directed can result in their spending more energy fighting management than they use improving performance. In a 1973 guidebook for school executives, Knezevich expresses the belief that stimulating self-direction in management may be the greatest contribution MBO can make to the improvement of educational administration.

The most recent approach, Schein notes, recognizes that all men are different and have different combinations of needs. Managers accepting such a view realize the necessity of special training enabling them to recognize needs and desires in their subordinates and to discover ways of acting on them effectively.

Reasons for the introduction of MBO systems vary widely and are naturally influenced by perceptions of the employees' motivations and needs. Personnel departments are often behind the instigation of MBO for reasons related to "human relations." These reasons include providing for improvements in management appraisal, development, motivation, leadership, and other such techniques. The intention is not so much to improve production directly as to improve staff relationships, with the hope that improved production will be an indirect result of the improved conditions.

Another major grouping of reasons is centered on organizational goals and is more specifically related to the systems management approach. Here the rationale for adopting MBO is to analyze the organization's goals in light of the demands of its clients and the needs of a changing world. Once such goals are chosen, other rationales are to facilitate the determination of priorities, to allow for more effective allocation of resources, and to provide a rational basis for making managerial decisions.

Of course, an MBO program that focuses only on the goals of the organization would be incomplete. In his article noted above, Levinson says: "If a man's most powerful driving force is comprised of his needs, wishes, and personal aspirations, . . . then management by objectives should begin with *his* objectives." The understanding of motivational forces is very important to the successful implementation

of an MBO system.

The New Providence School District in New Jersey added MBO to its administrative team approach to management as an evaluation technique. Management from the top level (in this case, the superintendent's office) down to the lowest (the principals) was involved in selecting MBO, ensuring high commitment to the approach. Administrators at all levels agreed on the main reason for choosing MBO—its focus on goals rather than on personalities, providing objective evaluation.

In California the state legislature undertook an appraisal of the state's master plan for higher education. One concern was the development of an evaluation system that would enable the legislature and concerned citizens to judge the quality of higher education in the state. The emphasis was on colleges and universities in this case, but what is crucial here is that those directly involved in the organization did not select the system—it was chosen for them by an outside agency. Also, the focus was not on individual accountability within the organization, but on the accountability of the organization as a whole to the public.

With these two cases in mind, it is easy to understand that the reasons for introducing MBO and the level at which MBO is initiated—from the individual school up to an entire state system—strongly influence the character of the program. The intentions with which theory is put into practice can easily give rise to overemphasizing some aspects of MBO to the detriment of others. This fact is particularly true in the case of plans that fail to involve employees at all levels of the management process.

An MBO system recommended by Bell calls for the initiating step at any level in the process to be reviewed by subordinates at the next level before any hard decisions are made. Although his plan allows for employee feedback, only the higher levels are involved in the determination of goals and objectives; lower levels only develop and institute plans for reaching those goals. When the goals and the plans for reaching them are not formulated simultaneously, resources

may not be used most efficiently and may be overcommitted. Also, when goals are set up independently of those who are to pursue those goals, a sense of involvement and motivation are missing.

A similar problem exists in the Virginia State Department of Education plan. The superintendent appoints a Planning Council to identify needs and recommend priorities. This council in turn selects members of task forces to develop programs (including persons from outside the schools). Once reviewed, these programs are turned over to principals and staff for implementation. Identification of needs and priorities is more widely based than in Bell's approach but still stems from the top level of management, and the implementation is even more strictly differentiated from the planning.

By contrast, the administrative team approach in New Providence, New Jersey, as Anderson notes, allows all members of the administration to seek help and advice from all levels freely. A recently hired principal noted, "In a traditional hierarchy people are concerned about protecting their exclusive prerogatives—to infringe on someone's territory is threatening. In this [administrative team] environment it's not important who projects an idea, what counts is educational excellence." The role of the top level of management is not to push, but to lead.

Varieties of Objectives

Once it is decided who is going to determine objectives, how, and for what reasons, it is time to look at the objectives themselves. There are many ways of classifying objectives other than that used in Madison. As Knezevich points out in his guidebook, they can be seen in terms of time-frame (long- and short-range), focus (product or process, as in Madison), or target (instruction or administration).

In Detroit objectives are classified in a manner designed to keep the future in mind. The first concern is to keep the school running smoothly; the second, to solve problems that may be chronic; and the third, to provide for growth, which

is where the real payoff begins. By focusing on results and concentrating energy on a small number of goals at a time, the school can permanently repair leaks that were only patched before and stop the slow loss of tax dollars.

A fourth type of goal can be added to those in the Detroit group: personal goals. By encouraging personal professional development, management can go a long way toward answering the individual needs of subordinates mentioned earlier.

Instructional objectives are concerned with measuring what students learn. Besides clearly measurable objectives, Sergiovanni adds two subtypes. *Expressive* objectives are met when students participate in an educational encounter. What the student is to learn is not stated, only that he is to be exposed to a situation in which he can make discoveries for himself. Such objectives can be measured only in terms of amount of participation, and not in terms of learned facts. *Informal* objectives, on the other hand, cannot be planned by the instructor. These involve such goals as development of self-confidence or cooperation in students, and such learning techniques as feeling, sensing, clarifying, and creating. These objectives are difficult to measure directly, but some way must be found to achieve them.

The determination of which objectives will be sought in which situations is a difficult one. According to one opinion local school objectives should reflect districtwide needs. Another stresses that managers should not work only with their own supervisors and subordinates in establishing objectives, but should also work with other managers on the same level, in order to facilitate mutual assistance and to recognize mutual responsibilities.

Traditionally, the educational planner has established objectives by consulting various groups to find out what they want. Such surveys usually provide a tremendous variety of responses with varying degrees of specificity, and the planner is faced with the formidable task of synthesizing them. A recent alternative approach to such methods has been made possible by the establishment of large pools of specifically stated measurable objectives. Given such lists, groups can

vote in terms of priorities, and the results are clearly reflective of their intentions.

Greenfield reports on a practical test of such an approach made in York Borough in Toronto. A large number of possible goals was presented to a relatively small number of educators, drawn from all levels of the organization, for purposes of ranking. The mixed results led to the observation that greater success might have been achieved had the number of objectives been smaller and their content more general. Then specific objectives could be written at each level to meet the general goals of the system as a whole.

In Detroit problem areas were first defined, present levels of performance were identified, desirable levels were proposed, and then the problem was reevaluated. This reevaluation allowed a fresh look at the situation in light of the desired result; it was often found that the problem area first identified was not the root problem, but only a symptom of a deeper problem. The process was then begun again with an increased expectation of final success.

The use of some modification of the Delphi technique is yet another possibility. Representatives of all levels can list their objectives anonymously, consider the full list thus generated, and then revise their own lists, giving reasons for inclusion of items they have selected. This anonymous list in one way serves the same purpose as the Madison contract—the focus is on the job, not on personalities, and strong individuals have less chance of swaying opinion in directions that may not be finally satisfactory.

A full-scale implementation of MBO may involve choosing objectives in several ways and from several classifications. A district may be more interested in fairly unique goals of the regular, problem-solving, and innovative varieties, which might be best selected by careful attention to problems at hand. An individual school might be more interested in pursuing instructional and related objectives, which might be chosen from carefully limited lists drawn from outside sources.

Whatever the source or type of objectives, it is important to remember that the choosing of objectives can in itself be

a very worthwhile procedure, since it focuses attention on problems in a systematic way and helps enforce supervisors' awareness of subordinates' goals and needs, whether the objectives are finally met or not.

Methods of Operating the System

"The reason for having an organization is to achieve more together than each could alone. Why, then, emphasize and reward individual performance alone, based on static job descriptions?" So Levinson argues for the use of group goal-setting, group appraisal, group definition of tasks (both individual and group), and even group compensation-setting. In the Madison system we have seen an example of the classic approach to operating an MBO system: the manager is basically responsible for achieving an objective he helped set, with guidance and assistance from his supervisor. Obviously, such an arrangement is most in line with the MBO concern for specificity, but it is not always most appropriate for the given job.

The small size (24 administrators) of the New Providence, New Jersey, school system is a large part of the reason its team approach works. All members of the team are aware of the overall goals and resources at every level, and the possibility of constant communication helps ensure that all members of the team are in some part responsible for the success of the entire system's efforts. At the same time, use of an MBO evaluation technique requires individual responsibility, thus preventing some administrators from taking an easy ride while others do the work.

In between the two extremes of the individual and team approaches are several combination measures. In Virginia, the system is flawed because individuals are held responsible for achieving objectives formulated by teams. Thus no one person is responsible for the standards that one individual may be required to meet. Modifying objectives could be very difficult to achieve under such a system. Another method would be to hold a team responsible for achieving standards

set by one man. A large part of the problem in either of these approaches, as we noted earlier, is lack of motivation.

A possible compromise solution might be to use classical MBO in normal situations and then to assign multidisciplinary teams to attack complex problems. Such teams would be temporary in nature and would be responsible for both setting the objectives and carrying them out. Mann suggests that such teams might be most valuable at the higher levels of management, where problems are less routine, while more traditional MBO approaches might be more useful at lower levels.

The division of the time span in which objectives are sought is another operational problem. Usually a year is considered appropriate; it is long enough to allow significant progress and not too long for adequate control. Virginia, however, uses a five-year plan, updated annually. This allows for long-range planning at the same time that annual goals are being worked on and met. At the same time, programs that do not comfortably fit in a one-year format, such as continuing programs that have changing goals, can be accommodated more easily in such a system.

In the Detroit plan, progress is evaluated at the end of each quarter, at which time plans for the corresponding quarter in the next year are laid. Thus the second year is fully planned by the time the first year ends. The flaw in this approach is that after the first year, no plans are conceived that cover a full year. Instead, current plans are merely extended or modified in short-term blocks of one quarter each.

Accountability and Evaluation

> Institutions can tell you to the penny how much they spent last year for faculty salaries, utilities and wax for the gymnasium floor. But they cannot tell you what this investment produced because our focus in educational accounting has been on *input*, not *output*.
>
> *McPherran*

When an organization is not aware of what it is achieving, it is not surprising that it evaluates its personnel by what they do rather than by what results from their doing it. Howsam and Franco note the effect of traditional management procedures and hierarchical structures:

> A superintendent who saw all of the principal's authority as coming through him might attempt to hold a principal accountable for his every act. One who saw the principal as a professional with the authority of professional expertise might be content with holding him responsible for results. The latter would tend to emphasize ultimate criteria; the former might tend to be more interested in means than in ends.

In 1963 the National Education Association's research division surveyed teacher evaluation methods used by school districts across the nation. The results included no mention of the outcomes the teachers achieved. At best these methods included such subjective techniques as classroom observations and conferences; at worst, they included impressions from students and parents, records on the teacher's professional activities outside the school, and participation in other extracurricular activities. Traditional evaluations of administrators are rarely any better. Not only are most methods based on scant substantive data, concentrating instead on personality, but, also, they provide the subordinate with little feedback on how to improve performance.

As several writers note, some administrators have opposed MBO apparently out of fear that its objective evaluation procedure, which ties earnings to performance, would give them a bad break. Research by Tosi and Carroll, however, as reported by Hunaday and Varney, indicates that managers who have actually worked under such a system tend to favor it. A manager whose pay correlates with his performance develops respect for his supervisor and the system, the researchers report. And the manager also develops self-respect: he feels neither guilt at being paid too much nor outrage at being paid too little, but instead feels his compensation is just.

Of course, base pay cannot easily be determined on the basis of performance but must be set according to many

other factors. The relationship between performance and pay is best reserved for salary increases. In any case, each individual must be handled according to his or her own unique situation.

Accountability and evaluation need not be limited to analysis of a subordinate's performance by his superior. In order to best evaluate a manager, his supervisor should also seek the opinions of the manager's subordinates. Thus the manager is accountable to his subordinates just as they are to him, and joint responsibility is assured.

In the case of education, the school is also accountable to the students and the community, which is another good reason for not limiting the determination of goals to higher management.

In the end the individual is accountable to himself, but only insofar as he is psychologically able to accept his mistakes. MBO, through its objectivity, provides the manager with a less threatening way of appraising himself, as well as of appraising others.

MBO'S FUTURE: PROBLEMS AND POSSIBILITIES

If management by objectives has the potential to greatly improve existing educational administration, it has been a well-kept secret, for the system certainly is not very widespread. A clear look at the hazards threatening the success of individual attempts at MBO may help remove vague fears about its implementation elsewhere.

Dangers to the System

The basic danger facing the development of an MBO program is that it will be implemented too hastily and be considered a miracle cure for problems that have been developing in an organization perhaps for years. When it fails, the blame will be placed on the system itself rather than on such real causes as inadequate training of staff or lack of commitment by unconvinced administrators. Lack of a stable foundation can easily result in laxity in the maintenance of the system and of its required specificity.

A partial list of difficulties that can develop when the full intentions and implications of MBO are not kept in mind will give a good sense of the range of potential problems and the need for care in developing an MBO program:

1. If a quantity of paperwork is allowed to replace precision and quality of measurement, the chances for useful evaluation of a project will be undermined.
2. A tendency to concentrate too heavily on a few important objectives can result in a failure to meet everyday demands of the job.
3. The constant raising of standards as objectives are met can destroy a subordinate's sense of progress and accomplishment and thus reduce his sense of motivation.
4. If supervisors fail to meet the requirements for specificity and measurement involved in objective evaluation of their subordinates, either because they feel too busy to take the care

necessary or have not lived up to their own end of the written or unwritten contract, they may fall back on subjective evaluation of their subordinates.

5. The development of new lines of communication does very little good unless there is someone available to talk or listen at both ends.

6. A failure to trust subordinates or give much weight to their views or suggestions can result in a rapid breakdown of confidence in the MBO system.

7. Without adequate communication and control, the same problem may be attacked simultaneously by two different individuals, with a resultant loss of time, effort, and money.

8. Continued concentration on techniques of management rather than on results, by those unable to adapt to the MBO focus, can negate the system's effectiveness before it even begins.

Studies made at the college level by Shetty and Carlisle and at the junior high school level by Lyons, Reynolds, and Allen indicate only moderate success for MBO. Comments garnered from the faculty members involved reveal that much of the reason for the lukewarm reception was either lack of preparation for the implementation of the system or lack of commitment to the principles of MBO by higher management, or both.

For MBO to be a success, a positive attitude must be engendered in those who are to live by it. The commitment of the top level of management to the system is very important for that reason. This does not mean that the state board must institute MBO before the local district does. It merely means that it is doubtful that MBO will succeed when it is instituted by the head of personnel while his superintendent remains noncommittal.

Conscious or unconscious bias in the implementation of MBO is a related danger. In a flow chart meant to be humorous, Krenkle and Saretsky show how unsatisfactory results can lead organizations or individuals not to try to improve the results but merely to redefine them so that they meet a new set of standards. It is especially easy for such a redefinition of the status quo to result when MBO is implemented

primarily for the purpose of silencing those critics who are demanding proof of the educational program's success. Such pressures might be hard to face down, but a quick resort to MBO is hardly the answer.

Since objectives that do not relate to measurable increases in performance are rarely considered "legitimate," subordinates may unintentionally shy away from pursuing personal goals. This bias against employee needs can be one cause of a defensive posture against MBO. Such a posture can in turn lead to the undermining of the system. In many cases if people aren't convinced that something will work, they approach it in a way that virtually assures its failure. A negative attitude can prove to be a self-fulfilling prophecy.

On the other hand, the very specificity of MBO can pose a form of danger, as Deegan and others note:

> The approach . . . runs the risk of any system which identifies program cost: that of having raw cost figures used in making policy decisions without regard to identified constraints or without regard to the underlying college philosophy/mission statement. By making a management by objectives report available to the public and to the press, there is a risk that some raw cost figures will be taken out of context and used to make the program . . . look like it is unwisely using public funds.

One of the most frequent complaints about MBO is that it will add too much extra work to already overloaded administrators. As the Madison report points out, this should be one of the least of the worries of any system implementing MBO carefully. Although learning the technique may require extra time while the old technique is still in operation, once MBO is in effect it should not be an addition to the job. It should *be* the job. A good MBO system, once instituted, should take no more time than the job took before, and in fact should make the job more efficient. MBO should lead to the systematic solving of long-standing problems in such a way that before very long the administrator has the leisure (if we may call it that) to concentrate on innovative and creative programs for the future.

Questions about the Future

The demand for accountability in education, as reflected in the terms of federal funding programs as well as in the clamor of the press and the public, may mark a new vision of the educational process in which MBO and similar systems will play a significant role. Under these circumstances, it would not be surprising to see educators turn to MBO as a tool to help themselves be accountable while at the same time adapt the technique to some of the unique characteristics of the educational system. Already the variations in MBO programs are as numerous as the organizations that have adopted the technique.

The use of measurable objectives as a rallying point has encountered vocal objections from those who see the subjective nature of much of education as endangered by the objectivity of MBO. For example, Shetty and Carlisle quote one anonymous university faculty member who has charged that MBO will "destroy creativity and convert the scholarly enterprise into another General Motors." Segner claims that corporate business is ends-oriented whereas education, whose products are people, must be much more concerned with means. In a very important sense, the educational goal is a "non-uniform product," which is exactly the opposite of the intentions of industry.

Perhaps those educators who most fear the introduction of sterile business-management practices into the schools have had their attitudes influenced by bad experiences with bureaucratic paper-shuffling. Such a background scarcely prepares anyone for the notion that a carefully designed and thoughtfully administered management system might permit greater creative freedom by eliminating stress on the routine. MBO's adherents claim that the major reason bureaucracies cause problems is that they are out of control, and MBO offers one way of getting that control back.

CONCLUSION

There are many ways of listing the component parts of the management-by-objectives approach to administration. Some of the variations noted in this report are regarded as essentials by some writers and as inaccurate applications of theory by others. For simplicity's sake, it is possible to remain faithful to the general intentions of MBO while boiling it down to four major points.

First, MBO places the emphasis on results rather than on resources or the ways in which resources are utilized. Second, responsibility for achieving these results is shared jointly by the superior and his subordinate. Third, the establishment of this responsibility and the achievement of the results are both obtained through rigorous attention to specificity. Fourth, shared responsibility and attention to specificity permit evaluation on the basis of performance, according to preset standards.

In light of all that has been stated in this report, it appears that MBO can be a very beneficial system when employed with a good grasp of its potential and an equally good grasp of the situation in which it is to be introduced. If the purposes for which MBO is being introduced are sound, if the implementation is handled with care and patience, and if the commitment of all involved is high, there are few reasons why MBO should fail.

But before a school system definitely decides that MBO is the answer, it would be prudent to consider the ideas implicit in these two concluding quotations:

> From our studies, therefore, educational organisations are looking to MBO to provide quite different brands of administrative salvation. These reasons imply that the organisations recognize weaknesses of a particular kind in their operation, but we would argue that MBO need not necessarily be the appropriate tool to overcome these deficiencies. There may be

other, less painful and complicated means of sorting out appraisal, accountability, staff development and other problems. Its adoption may be a failure accurately to diagnose the true cause of trouble, and from this, other difficulties flow.

Davies

I have no doubt about the value of [an analytical management] approach. It provides a logical base on which we can talk to each other, and on which we can weigh the effectiveness of our service, its institutions, and our own contributions to them. But I feel increasingly that what we need is a habit of mind rather than an administrative system.

Mann

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